BILL FLORES, CHAIRMAN



- 1. H.R. 4676: Preventing Crimes Against Veterans Act, as amended
- 2. <u>S. 2512: Adding Zika Virus to the FDA Priority Review Voucher Program Act</u>
- 3. H.R. 2947: Financial Institution Bankruptcy Act
- 4. H.R. 1567 Global Food Security Act of 2016 as amended

H.R. 4676: Preventing Crimes Against Veterans Act, as amended (Rooney, R-FL)

CONTACT: Rebekah Armstrong, 202-226-0678

FLOOR SCHEDULE:

April 12, 2016 under a suspension of the rules, which requires a 2/3 majority for passage.

TOPLINE SUMMARY:

H.R. 4676 would create a criminal penalty for anyone who knowingly defrauds a veteran of their benefits.

COST:

No Congressional Budget Office (CBO) estimate is available.

Rule 28(a)(1) of the Rules of the Republican Conference prohibit measures from being scheduled for consideration under suspension of the rules without an accompanying cost estimate. Rule 28(b) provides that the cost estimate requirement may be waived by a majority of the Elected Leadership.

CONSERVATIVE CONCERNS:

- Expand the Size and Scope of the Federal Government? No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

According to <u>testimony</u> at the Judiciary Committee mark-up, fraudsters target vulnerable veterans, particularly those in low-income housing, in an effort to defraud them out of their benefits. Traditionally, criminals would engage in malicious actions using methods of interstate commerce, and could be prosecuted under mail or wire fraud statutes. However, new schemes focus on face-to-face meetings which exploit loopholes in the law to gain access to these benefits.

This bill would penalize anyone who knowingly engages in a scheme to defraud a veteran of their benefits, or in connection with obtaining veteran's benefits, by imposing a fine, imprisonment for not more than five years, or both.

COMMITTEE ACTION:

This bill was introduced by Representative Rooney and referred to the House Committee on Judiciary. The committee held a <u>mark-up</u> and an <u>amendment</u> by the Ranking Member was adopted by voice vote. However, the Committee could not achieve a reporting quorum so the markup was adjourned.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

According to the sponsor, Congress has the power to enact this legislation pursuant to the following: Article I, section 8--to make rules for the Government and Regulation of the land and Naval Forces.

S. 2512: Adding Zika Virus to the FDA Priority Review Voucher Program Act (Frankin, D-MN)

CONTACT: Rebekah Armstrong, 202-226-0678

FLOOR SCHEDULE:

April 12, 2016 under a suspension of the rules, which requires a 2/3 majority for passage.

TOPLINE SUMMARY:

<u>S. 2512</u> would add the Zika virus to the list of tropical diseases awarded a priority review voucher by the Food and Drug Administration (FDA).

COST:

No Congressional Budget Office (CBO) estimate is available.

Rule 28(a)(1) of the Rules of the Republican Conference prohibit measures from being scheduled for consideration under suspension of the rules without an accompanying cost estimate. Rule 28(b) provides that the cost estimate requirement may be waived by a majority of the Elected Leadership.

CBO has <u>previously</u> estimated that the net budgetary effect of legislation adding diseases to the priority review program "would be negligible…because FDA is authorized to collect fees sufficient to defray the costs of priority review vouchers"

CONSERVATIVE CONCERNS:

- Expand the Size and Scope of the Federal Government? No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

This bill would include the Zika virus to the list of tropical diseases that are eligible for a priority review voucher at the FDA.

The priority review voucher program at the FDA began in 2007 and encourages manufactures to develop new products for the prevention and treatment of certain tropical diseases. This program accelerates the FDA's regulatory review process with the intent of coming to a decision within six months. In December 2014, the House passed by unanimous consent legislation to add Ebola to the list.

According to the <u>Centers for Disease Control and Prevention</u> (CDC), the Zika virus is spread to people primarily though the bite of an infected mosquito. Originally discovered in Uganda, the disease had been reported only in tropical Africa, Southeast Asia, and the Pacific Islands until 2015 when a case was reported in Brazil. On February 1, 2016, the World Health Organization declared the Zika virus a public health emergency of international concern. The Zika virus continues to spread and has been reported in the Commonwealth of Puerto Rico, the US Virgin Islands, and American Samoa. No local mosquito-borne Zika virus has been reported in the United States.

COMMITTEE ACTION:

This bill was introduced Senator Franken and passed the Senate with unanimous consent on March 17, 2016. The bill was then received in the House and referred to the Committee on Energy and Commerce where it awaits further action.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

Bills originating in the Senate do not require the inclusion of a Constitutional Authority statement.

H.R. 2947: Financial Institution Bankruptcy Act (Trott, R-MI)

CONTACT: Brittan Specht, 202-226-0678

FLOOR SCHEDULE:

April 12, 2016 under a suspension of the rules, which requires a 2/3 majority for passage.

TOPLINE SUMMARY:

<u>H.R. 2947</u> would establish a new subchapter in the bankruptcy code to cover large financial institutions, imposing losses on shareholders and creditors rather than on taxpayers as under a Dodd-Frank proceeding

COST:

The Congressional Budget Office (CBO) <u>estimates</u> that enacting H.R. 2947 would have no significant effect on the federal budget. Pay-as-you-go procedures apply because enacting the legislation could affect direct spending and revenues related to bankruptcy proceedings and other programs aimed at resolving the failure of banks and other financial firms. However, CBO estimates that those effects would not be significant.

CONSERVATIVE CONCERNS:

- Expand the Size and Scope of the Federal Government? No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

H.R. 2947 would add a new subchapter, Subchapter V, to Chapter 11 of Title 11 of United States Code (the bankruptcy code). Subchapter V would apply to financial institutions with assets in excess of \$50 billion and with at least 85% of revenues derived from financial activities.

Under the provisions of the bill, pursuant to a petition for bankruptcy from a covered financial institution, the operations, assets, contracts and secured debt of the institution would be transferred to a bridge company, which would continue in operation. The unsecured debt and equity, as well as any contracts or property subject to a lien under an obligation that the bridge company is, in the opinion of the court, unlikely to be able to be fulfilled, would remain with the legacy estate to be resolved under standard bankruptcy proceedings.

The bill also provides for an automatic 48-hour stay against any legal action from creditors seeking to recover against the institution while assets are transferred to the bridge company. After 48 hours, the stay is lifted against the bridge company, but would remain in force covering the operating subsidiaries of the institution. Unlike a traditional automatic stay under Chapter 11, derivative contracts would be covered under the 48-hour stay, though it would be terminated in the event the bridge company failed to perform on the derivative contract.

The bill would also require the Chief Justice of the U.S. Supreme Court to designate at least 10 bankruptcy judges who are able to hear Subchapter V cases.

The House passed similar legislation by a voice vote in the 113th Congress as H.R. 5421. The legislative bulletin for that bill is available <u>here</u>.



COMMITTEE ACTION:

This bill was introduced by Representative Trott and referred to the House Committee on Judiciary, which reported the measure as amended by a voice vote. The Judiciary Committee Report is available here.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

According to the sponsor, Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, clause 3 of the United States Constitution, in that the legislation exercises legislative power granted to Congress by that clause "to regulate Commerce with foreign Nations, and among the several States, and with Indian tribes;" Article I, Section 8, clause 4 of the United States Constitution, in that the legislation exercises legislative power granted to Congress by that clause "to establish . . . uniform Laws on the subject of Bankruptcies throughout the United States;" Article I, Section 8, clause 9 of the United States Constitution, in that the legislation exercises legislative power granted to Congress by that clause "to constitute Tribunals inferior to the Supreme Court;" Article I, Section 8, clause 18 of the United States Constitution, in that the legislation exercises legislative power granted to Congress by that clause "to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof;" and, Article III of the United States Constitution, in that the legislation defines or affects powers of the Judiciary that are subject to legislation by Congress.



H.R. 1567 — Global Food Security Act of 2016 as amended (Rep. Smith, R-NJ)

CONTACT: Nicholas Rodman, 202-226-8576

FLOOR SCHEDULE:

Scheduled for consideration on April 12, 2016 suspension of the rules, which requires 2/3 vote for passage.

TOPLINE SUMMARY:

H.R. 1567 would require the President to coordinate and implement a comprehensive global food security strategy.

COST:

The Congressional Budget Office (CBO) <u>estimates</u> that implementing the bill would cost \$905 million over the 2016-2020 period, assuming appropriation of the specified amounts. (Most of the remainder would be spent in subsequent years.) Based on information from the U.S. Agency for International Development (USAID), CBO estimates that other federal entities involved in implementing the strategy would not require additional appropriations for that purpose. Enacting H.R. 1567 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CONSERVATIVE CONCERNS:

Some conservatives might be concerned about the amount authorized by the bill on food programs with limited effectiveness. However, according to the House Foreign Affairs Committee, the legislation contains no additional spending in excess of current levels and seeks to improve the efficiency of food assistance programs

- Expand the Size and Scope of the Federal Government? No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

H.R. 1567 would largely authorize the State Department's Feed the Future initiative, which was launched in 2010 and has been funded without authorization through annual appropriations acts.

The bill would assert that it is in the national security interest of the United States to promote global food security, resilience, and nutrition, consistent with national food security investment plans. The bill would further express a sense of Congress that the president, in providing assistance to implement the global food security strategy, should coordinate the efforts of relevant Federal departments and agencies to implement the strategy.

The president would be required to coordinate the development and implementation of a United States whole-of-government strategy to: (1) set specific and measurable goals, benchmarks, timetables, performance metrics, and monitoring and evaluation plans that reflect international best practices relating to transparency, accountability, food and nutrition security, and agriculture-led economic growth; (2) establish clear and transparent selection criteria for target countries and communities; (3) support country-owned agriculture, nutrition, and food security policy and investment plans; (4) support agricultural value chain development; (5) support improvement of the nutritional status of women and children, particularly during the first 2 years of a child's life; (6) facilitate communication and collaboration among local stakeholders in support of a multi-sectoral approach to food and nutrition security; (7)

support the long-term success of programs by building the capacity of local organizations and institutions in target countries and communities; (8) integrate resilience and nutrition strategies into food security programs; (9) develop community and producer resilience to natural disasters, emergencies, and natural occurrences that adversely impact agricultural yield; (10) harness science, technology, and innovation; (11) integrate agricultural development activities among food insecure populations living in proximity to designated national parks or wildlife areas into wildlife conservation efforts; (12) leverage resources and expertise through partnerships with the private sector; (13) support collaboration between United States universities and public and private institutions in target countries and communities to promote agricultural development and innovation; (14) seek to ensure that target countries and communities respect and promote land tenure rights; and (15) include criteria and methodologies for graduating target countries and communities from assistance provided to implement the Global Food Security Strategy.

The president would be required to coordinate the efforts of relevant federal departments and agencies in the implementation of the strategy by establishing monitoring and evaluation systems across relevant departments and agencies and platforms for regular consultation and collaboration with key stakeholders and Congress. By October 1, 2016, the president would additionally be required to submit the Global Food Security Strategy to Congress, which would include specific implementation plans from each relevant federal department and agency.

The president would be authorized to provide foreign assistance to implement the strategy and prevent or address food shortages under the Foreign Assistance Act of 1961. The bill would authorize an appropriation to the Secretary of State and the Administrator of the United States Agency for International Development (USAID) of \$1,000,600,000 for fiscal year 2017 to carry out those portions of the Global Food Security Strategy that relate to the Department of State and USAID. The president would be required to ensure that assistance to implement the strategy is provided under established parameters for a rigorous system to monitor and evaluate the progress and impact of the strategy. The president would further be required to submit a follow up report to Congress describing the progress of the implemented strategy and would be made public on USAID's website.

OUTSIDE GROUPS IN SUPPORT:

- Association of Public and Land-grant Universities
- Bread for the World
- Lutheran World Relief
- Evangelical Lutheran Church in America
- A full list of groups in support can be found <u>here</u>.

OUTSIDE GROUPS IN OPPOSITION:

FreedomWorks

COMMITTEE ACTION:

H.R. 1567 was introduced on March 24, 2015 and was referred to the House Committee on Foreign Affairs. On April 23, 2015, the bill was ordered to be reported in the nature of a substitute (amended) by unanimous consent.

ADMINISTRATION POSITION:

A Statement of Administration Policy is not available.

CONSTITUTIONAL AUTHORITY:

According to the sponsor: "Congress has the power to enact this legislation pursuant to the following: Article I, section 8 of the Constitution." No enumerating clause was listed.

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.